

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )  
 )  
Applications of Comcast Corporation, ) MB Docket No 14-57  
Time Warner Cable Inc., Charter )  
Communications, Inc., and Midwest Cable )  
To Assign and Transfer Control of )  
FCC Licenses and Other Authorizations )  
 )

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**COMMENTS OF  
MINNESOTA ASSOCIATION OF COMMUNITY TELECOMMUNICATIONS  
ADMINISTRATORS (MACTA)**

The Minnesota Association of Community Telecommunications Administrators (MACTA) submits these comments in response to the notice to the above referenced proceeding on behalf of the members it represents. MACTA is a Minnesota non-profit association, representing more than 130 Minnesota cities and townships in matters related to cable television franchising; public, educational and government access; broadband; and telecommunications. Members include cities, cable commissions, community cable television facilities and advisors who work with these organizations. There are currently 67 MACTA member Minnesota cities

and townships with an approximate population of 1,500,000 that have a cable franchise with Comcast, and there are approximately 400,000 subscriber households that will be directly impacted by any decisions made by the FCC in this proceeding. MACTA works closely with the League of Minnesota Cities and is a state chapter of the National Association of Telecommunications Officers and Advisors (NATOA).

Minnesota local franchising authorities (LFAs) find themselves in a unique position. Currently as proposed, all cities where Comcast currently provides service in Minnesota will, when the dust settles on all transactions, be served by Midwest Cable, a company that four months ago did not even exist. It is unsettling to think that these 67 communities may soon have services provided by a company that only currently exists on paper. Therefore, in the event the Commission awards approval of the Comcast -Time Warner - Charter – Midwest Cable transactions, MACTA requests the Commission impose, at a minimum, strong conditions to help ensure the future protection of consumers and content providers. MACTA requests the following conditions, at a minimum, must apply to all the companies involved in these transactions.

## **PROTECT CONSUMERS FROM RATE INCREASES**

As reported by the Commission's May 16, 2014 "Statistical Report on Average Rates for Basic Service, Cable Programming Service, and Equipment, MB Docket 92-266," "Basic cable service prices increased by 6.5 percent [to \$22.63] for the 12 months ending January 1, 2013. Expanded basic cable prices increased by 5.1 percent [to \$64.41] for those 12 months, and at a compound average annual rate of 6.1 percent over the 18-year period from 1995-2013." For the same 18 year period, the Consumer Price Index rate was 2.4 percent.

MACTA provides the Commission's findings to help paint a picture of the constant rate increases cable consumers experience. MACTA recognizes these price increases are due to a variety of factors including increased programming costs. However, given the history of annual rising costs of cable services, MACTA is concerned that with the additional factor of debt services and other increased costs expected to be incurred as a direct result of these transactions, the rate of cable services will rise even higher and more rapidly than history has demonstrated.

Given past history, combined with unknown debt and acquisition costs, MACTA requests the Commission ensure that the consumer is not expected to pick up these additional costs by imposing a rate increase moratorium on all of the companies' basic and expanded basic services, including any equipment necessary to receive such services for no less than two years from the time the final transaction is completed. Furthermore, to ensure there is no rebound effect on prices, that any price increase for an additional three years be directly tied to the Consumer Price Index in the market the companies operate.

## **PROTECT PUBLIC, EDUCATIONAL AND GOVERNMENT ACCESS**

MACTA requests the protection of Public, Educational, and Governmental (PEG) channels/programming by, 1) Allowing PEG funding to be used for operational support without any reduction/offset to franchise fees, and 2) Ensure all companies involved in the merger treat PEG in the same manner they treat broadcast and commercial signals and channels, including HD and SD signal quality, channel placement, PEG programming information available on all subscriber guides and menus, and the carriage of PEG signals without charging the local governments/schools within the franchised jurisdiction.

## **PROVIDE AFFORDABLE INTERNET SERVICES FOR ALL LOW INCOME HOUSEHOLDS.**

Please ensure there are adequate and affordable Internet services that are in spirit with Comcast's "Internet Essentials" program but are available to ALL low income households. The low-cost internet program should: 1) Be made available to any resident, regardless of whether they are, or are not, a subscriber to the cable company's services, 2) Not predicate the household's income qualifications on the current eligibility standard of participation in the National School Lunch Program, but take into account a low income program that includes eligibility for seniors and disabled applicants, and 3) Offer speeds that are in keeping with the FCC's definition of broadband bandwidth speeds. These conditions would be applied to all of the companies involved in these transactions.

## **REDUCE RESTRICTIONS TO COMPETITION.**

Given that incumbent cable operators have had years to recoup their investments, including upgrade reinvestments, the incumbents are in a different financial position than they may have been 15-20 years ago. To require traditional level playing field requirements on a new entrant in to the broadband/cable marketplace may place the new entrant in a decidedly disadvantage. As such, to encourage competition MACTA requests the FCC prohibit the companies from enforcing "level playing field" conditions in franchises and should be limited to only equal protection claims.

Respectively submitted,

A handwritten signature in black ink, appearing to read 'Scott E. Franzmeier', with a stylized flourish at the end.

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